



# **DJS STOCK AND SHARES LIMITED**

**FIFTEENTH ANNUAL REPORT  
2008-2009**

**14. ARTS COLLEGE ROAD, COIMBATORE - 641 018.  
TAMIL NADU, INDIA.**



**DJS Stock and Shares Limited**

**Board of Directors**

**Shri Prakash D Shah**  
Managing Director

**Shri K. Annamalai**  
Whole-Time Director

**Shri Shohesh P Shah**  
Whole-Time Director

**Shri Jayantilal P. Shah**  
**Shri Bhagawati Prasad**  
**Shri Devendra C. Shah**  
**Shri Siddharth B. Jalan**  
**Shri Ajay M. Gupta**

**Auditors**

**P. Mahendran B.Sc FCA**  
Chartered Accountant  
Coimbatore - 641018

**Bankers**

AXIS Bank Ltd.  
Oriental Bank of Commerce Ltd.

**Head Office**

8/B, Shirin Sohrab Palace,  
Nariman Road, Vile Parle (E),  
Mumbai - 400 057

**Regd. Office**

14, Arts College Road,  
Coimbatore - 641 018

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## Notice to Share Holders

Notice is hereby given that the **Fifteenth Annual General Meeting** of the Shareholders of the Company will be held on Monday, the 17<sup>th</sup> day of August 2009 at 4.30 P.M. at the registered Office of the Company at 14, Arts College Road, Coimbatore 641 018 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31-03-2009 with Schedules, the Profit and Loss Account for the year ended on that date together with schedules, the Reports of the Directors and Auditor's thereon.
2. To appoint a Director in place of Shri. Prakash D. Shah, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri. K. Annamalai, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration and in this connection, to consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. P. Mahendran, Chartered Accountant, be and is hereby re-appointed as Auditor of the Company to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at remuneration to be determined by the Board."

The present retiring auditor, Mr. P. Mahendran, Chartered Accountant, has expressed his willingness to continue in office. Certificate has been obtained from him that re-appointment, if made, will be in accordance with the limits specified in sub section (1B) of Section 224 of the Companies Act, 1956.

### SPECIAL BUSINESS:

#### 5. Appointment of Shri Siddharth B. Jalan as Director

To consider, and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Shri. Siddharth B. Jalan, who was appointed as an Additional Director pursuant to Section 260 of the Companies Act, 1956 and Article 84(a) & 91 of the Articles of Association of the Company, and who holds office up to the date of this Annual General Meeting and in respect to whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By order of the Board  
For **DJS Stock and Shares Limited**

Place : Mumbai  
Date : 24.06.2009

**Prakash D. Shah**  
Managing Director



**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED.
2. A proxy to be valid should be duly filed in and affixed with requisite stamp and lodged with the Company's Registered Office at least 48 hours before the commencement of the meeting.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
4. The Register of Members and Share Transfer Registers of the Company will remain closed from 14-08-2009 to 17-08-2009(both days inclusive).
5. Members are requested to notify change of address, if any, promptly in order to serve them better.
6. Members are requested to bring their copies of the Annual Report to the Meeting.
7. Members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.
8. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID No. and those who hold shares in physical form are requested to write their Folio No. in the attendance slip for attending the meeting.
9. A brief resume of the Directors retiring by rotation and eligible for re-appointment/ recommended for appointment, as required by Clause 49(IV)(G) of the Listing Agreement signed by the Company with the stock exchange, is given in Annexure to this notice.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Appointment of Shri Siddharth B. Jalan as Director**

In terms of Section 260 of the Companies Act, 1956 and Article 84(a) & 91 of the Articles of Association of the Company, the Board of Directors at its meeting held on 30<sup>th</sup> January, 2009, appointed Shri Siddharth Jalan as Additional Director. Shri Siddharth Jalan holds office up to the date of this Annual General Meeting.

The Company has received a notice in writing (along with deposit of Rupees five hundred) from a Member proposing the candidature of Shri Siddharth Jalan for the office of Director of the Company under the provisions of Section 257 of the Companies Act, 1956, liable to retire by rotation in terms of the Articles of Association of the Company.

Your Directors, therefore recommend the resolution for your approval.

Except Shri Siddharth Jalan, no other Director is, in any way, concerned or interested in this Resolution

By order of the Board  
For **DJS Stock and Shares Limited**

Place : Mumbai  
Date : 24.06.2009

**Prakash D. Shah**  
Managing Director



Brief Resume of Directors seeking re-appointment and Directors recommended for appointment at the forthcoming Annual General Meeting

[In pursuance of clause 49 of the Listing Agreement]

Name of Director	Shri. Prakash Shah	Shri. K.Annamalai	Shri Siddharth Jalan *
Date of Birth	04.06.1949	13.09.1955	14.02.1980
Nationality	Indian	Indian	Indian
Date of Appointment	27.04.1994	27.04.1994	30.01.2009
Qualification	SSLC	M.Com	B.Com
Shareholding in DJS Stock and Shares Limited	27,13,900 shares	2,09,200 shares	2800 shares
Expertise in specific functional area	Share Market	Share Market	Share Market
Chairman /Director of other Companies	Director in 2 Private Ltd co.	Director in 2 Private Ltd co.	No
Chairman / Member of Committees of the Boards of other Companies of which he is a Director	No	No	No

\* Additional Director appointed on 30.01.2009.

By order of the Board  
For **DJS Stock and Shares Limited**

Place: Mumbai  
Date : 24.06.2009

**Prakash D. Shah**  
Managing Director



## Directors' Report

Your Directors hereby present the **Fifteenth Annual Report** together with the Audited Accounts for the Period ended 31st March 2009.

## FINANCIAL PERFORMANCE

Particulars	(Rs. in lakhs)	
	2008-09	2007-08
Income from operations	163.50	281.77
Other Income	113.93	384.93
Total Expenditure before Interest & Depreciation	242.17	269.15
Profit /Loss before Interest and Depreciation	35.26	384.61
Finance Charges	15.49	12.94
Depreciation	6.62	16.00
Profit / (Loss)	13.15	231.63

## REVIEW OF OPERATIONS

Despite the adverse situation prevailing globally, the Company has earned to achieve profits of 13.15 lakhs in the previous year. There has been fall in the Income from Operations from Rs. 281.77 lakhs in 2007-08 to Rs. 163.50 lakhs in 2008-09. However with the improvement in the financial markets, the Company looks forward to yield better profits.

Over the years, your Company had created a good investor base hence your management expects this will continue to yield better prospects to the mutual interest of both the small investors and the company. The performance of the Company, its business activities has been comprehensively covered in the Management Discussion and Analysis Report.

## FUTURE PROSPECTS

The Indian economy faced significant slowdown in growth momentum in 2008-09, driven by a severe downturn in the global economy on the back of sustained pressure on the global financial system. The Stock market, as a result experienced severe setback with the Sensex falling sharply below 8000 points and Nifty falling below 2600 points. However, with the formation of new government the market has slightly recovered and it is hoped that the market will improve further which shall enable the Company to tap the opportunities, for the growth of the Company and its investors.

## DIRECTORS

Shri Prakash Shah and Shri K. Annamalai, Directors retire by rotation at the forthcoming Annual General Meeting and both the Directors being eligible, offer themselves for re-appointment.

Shri Siddharth Jalan was appointed as Additional Director with effect from 30.01.2009. Pursuant to Section 260 of the Companies Act, 1956, his term expires at the ensuing Annual General Meeting. The Company has received a notice along with the requisite fee from a member in accordance to Section 257 of Companies Act, 1956 proposing the candidature of Shri Siddharth Jalan as Director of Company. The appointment needs to be confirmed by the members in the General Meeting.

## AUDITORS

Mr. P. Mahendran, Auditor of the company retires at the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment.

## DEPOSITS

The Company has not accepted any deposits within the meaning of section 58A of the Companies Act, 1956 read with Reserve Bank of India's directions for acceptance of Deposits by Non-Banking Non-Financial Companies.



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## **STATUTORY INFORMATION**

None of the employees of the company are drawing remuneration in excess of the limits prescribed under section 217(2A) of the Companies Act, 1956, during the year under report.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Your Directors in terms of Section 217(2AA) of the Companies Act, 1956 confirm that:

- (i) All applicable accounting standards have been followed in the preparation of the annual accounts.
- (ii) Your directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as of 31st March 2009 and of the profit of the company for the 12 months period ended that date.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) The annual accounts have been prepared on going concern basis.

## **CONSERVATION OF ENERGY; RESEARCH & DEVELOPMENT**

The information required under Section 217 (2)(e) is not applicable since it is a share Broking Company.

## **CASH FLOW STATEMENT AS PER LISTING AGREEMENT**

Cash Flow Statement is enclosed.

## **CORPORATE GOVERNANCE REPORT**

Corporate Governance Report is enclosed.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A detailed review of operations, performance and future outlook of the Company is given separately under the head Management Discussion and Analysis Report appended hereto.

## **ACKNOWLEDGEMENT**

Your Directors wish to express their full appreciation for the assistance and co-operation extended to us by its bankers, its valued Clients, SEBI, Mutual Funds, The Stock Exchange, Mumbai, National Stock Exchange of India Ltd., and Financial Institutions and all others. Your Directors wish to thank the esteemed shareholders for extending their unstinted co-operation and support in the Management of the Company.

The Directors also wish to thank all the employees for their support and co-operation.

By order of the Board  
For **DJS Stock and Shares Limited**

Place : Mumbai  
Date : 24.06.2009

**Prakash D. Shah**  
Managing Director



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## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Industry Structure and Development**

DJS Stocks and Shares Limited is mainly a stock broking company which carries on stock broking operations through an extensive network and suitable manpower and trades in shares, both quoted and unquoted. The industry structure, relevant to the company's operations, is mainly concerned with the capital market.

### **Economy Overview**

The Indian economy entered the financial year 2008-09 with a buoyant growth rate. However, the growth momentum was moderated because of the global economic turmoil. Like all emerging economies, India too has been impacted by the crisis. As per the revised estimates for the year 2008-09, the GDP for the year grew at 6.7 per cent as against 9.1 per cent in the previous year. This meltdown had hit the Capital markets severely. However, the fiscal stimulus packages of the Government and monetary easing and regulatory action of the Reserve Bank have helped to arrest the moderation in growth and kept financial markets functioning normally. It is expected that with the measures being adopted by economies in the developed nations and the measures being taken by the Government in India, the slowdown may be arrested and possibly reversed.

### **Industry Overview**

The current situation prevailing in India and the World has its effect on Indian Financial Sector. The markets became vulnerable to the economic downfall. However, with the formation of new government, new developments taking place in Infrastructure and other tertiary sectors and with the government initiating various measures, the markets have started showing improvements.

### **Review of operations**

During the year the Total Income of the Company is Rs. 277.43 lakhs as compared to the previous year figure of Rs 666.70 lakhs (which includes Long Term Capital Gain of Rs. 254.25 lakhs). As a result, the profit has come down to Rs.16.66 lakhs in comparison to the previous year figure of Rs.374.03 lakhs. The Brokerage revenue of the Company also reduced to Rs.163.50 lakhs as compared to Rs. 281.77 lakhs in the previous year. In spite of the recession hitting the market, the company was able to earn reasonable profits. The brokerage revenue continues to be the main source of income of the Company and contributed major revenue during this financial year.

### **Outlook 2009-10**

A significant portion of the Company's income arises from stock broking operations, which are largely dependent on the conditions of the stock market. The stock market activity depends largely upon the economic growth momentum and a combination of several factors like low inflation, growing domestic savings, surging portfolio investments into India, etc. The unusual developments in the global economy indicate heightened uncertainties and new challenges for the emerging market economies like India. However, several policy measures introduced by the Government to reduce the growing rate of inflation, consistently increasing savings and investment rate and achieve expected moderate GDP growth rate compared to other competing emerging markets and healthy corporate earnings which has the potential to attract strong foreign capital flows in the Indian capital market. The management is of the view that the Company will be able to reasonably perform in the context of the given economic environment by continuing its efforts to reach new client segments with its service capability.





### **Opportunities & Threats**

With the significant initiatives taking place to reform the financial sector and improve the GDP growth rate of the country, it is expected that there would be growth in business opportunities for our Company.

The stock broking industry has recently witnessed economic recession, falling brokerage rates etc. Your company continues to achieve cost efficiencies through the application of technology.

### **Risk and Concerns**

The Company's performance is closely linked to the Indian Capital Market and consequently to the risks associated with market operations. The performance of Company may be affected by factors affecting capital markets such as price and volume volatility, interest rates, currency exchange rates, foreign investment, government policy changes, political and economic developments and economic performance abroad.

### **Internal Control Systems**

The Company has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines prescribed by the management. The Audit Committee of the Board reviews the scope of the internal audit on a regular basis.

### **Cautionary Note**

This report describing the Companies activities, projections about future estimates, assumptions with regard to global economic conditions, government policies, etc may contain "forward looking statements" based on the information available with the Company. Forward looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results may be different from those expressed or implied since the Company's operations are affected by the many external and internal factors, which are beyond the control of the management. Hence the Company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

By order of the Board  
For **DJS Stock and Shares Limited**

Place : Mumbai  
Date : 24.06.2009

**Prakash D. Shah**  
Managing Director



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## CORPORATE GOVERNANCE REPORT

(As required under Clause 49 of the Listing Agreements entered with the Stock Exchanges)

### - **Company's philosophy on Code of Corporate Governance**

The Company remains committed to the concept of good corporate governance practices in all its activities to ensure the ultimate goal of making the Company a value driven Organisation. The Company desires to achieve transparency, full disclosure and independent monitoring of the state of affairs and shall be fair to all its stakeholders. Its philosophy on the code of Corporate Governance is:

- a) To utilise all resources optimally for the maximization of Stakeholders value and the company is providing quality services to its client which is matching with the international standards.
- b) To have a well knit family of employees, and imbibe the corporate values in the employees and encourage them in their conduct.
- c) To ensure that the decision making process is fair and transparent.
- d) To ensure adequate control systems to enable the Board to efficiently conduct the business and discharge its responsibilities to shareholders.

### **Board of Directors**

The Board of Directors comprises of 8 members including 4 executive directors and 4 non executive Independent directors.

The Chairman of the Board is an Executive Director and atleast half of the board comprises of independent directors. The independent directors on the Board are professionals, who are senior, competent and highly respected persons from their respective fields and provide strategic direction and thrust to the operation of the Company.

The key decisions are taken after detailed deliberations and discussions by the Board. The Company always ensures that Board members are presented with all the relevant information on vital matters affecting the working of the Company including the information as inter-alia specified under clause 49 Annexure - IA of the Listing Agreement.

None of the Directors on the Board is a Member of more than ten Committees and Chairman of more than five Committees (as specified in Clause 49), across all the companies in which he is a Director.

The composition of the Board of Directors, their attendance at the Board Meetings during the year and at the last Annual General Meeting and the number of other Directorships and Committee Memberships held by them in other Companies are given below:



Name of Directors	Category	Designation	Attendance particulars		No. of other Directorships & committee memberships / chairmanships		
			Board Meeting	Last AGM	Directorships 1	Committee Membership 1&2	Committee Chairman 1 & 2
Shri. Prakash D. Shah	Promoter & Managing Director	Chairman	17	Yes	2	N.A	N.A
Shri. Jayantilal P. Shah	Promoter Director-Executive	Director	17	Yes	2	N.A	N.A
Shri. Bhagawati Prasad	Non-Executive Director – Independent	Director	7	Yes	2	N.A	N.A
Shri. K. Annamalai	Whole-time Director–Promoter	Whole-Time Director	10	Yes	2	N.A	N.A
Shri. Shohesh P. Shah	Whole-Time Director - Executive	Whole-Time Director	17	Yes	2	N.A	N.A
Shri Amit P. Bhansali *	Non-Executive Director–Independent	Director	15	Yes	1	N.A	N.A
Shri. Devendra C. Shah	Non-Executive Director–Independent	Director	7	Yes	N.A	N.A	N.A
Shri. Ajay M. Gupta	Non-Executive Director–Independent	Director	17	Yes	2	N.A	N.A
Mr. Siddharth B. Jalan **	Non-Executive Director–Independent	Director	1	No	0	N.A	N.A

\* Shri Amit P. Bhansali resigned from the company as a director w.e.f January 30, 2009

\*\* Shri Siddharth B. Jalan was appointed as an Additional Director w.e.f January 30, 2009

**Notes:**

- Includes Directorship held in the Company and other companies excluding Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.
- In accordance with Clause 49 of Listing Agreement, Membership and Chairmanship of Audit Committee and Shareholders' Grievance Committee of all Public Limited Companies are considered.

During the year under review, the Board of Directors met Seventeen times i.e 5<sup>th</sup> April, 2008, 12<sup>th</sup> April, 2008, 22<sup>nd</sup> April, 2008, 24<sup>th</sup> May, 2008, 12<sup>th</sup> June, 2008, 30<sup>th</sup> June, 2008, 9<sup>th</sup> July, 2008, 31<sup>st</sup> July, 2008, 1<sup>st</sup> September, 2008, 24<sup>th</sup> October, 2008 29<sup>th</sup> October, 2008, 1<sup>st</sup> November, 2008, 15<sup>th</sup> December, 2008, 1<sup>st</sup> January, 2009, 30<sup>th</sup> January, 2009, 28<sup>th</sup> February, 2009, 28<sup>th</sup> March 2009

The Maximum interval between any two Meetings during this period does not exceed four months.



Dates for the Board Meetings for the ensuing year are decided well in advance and communicated to the Directors. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary by the Board.

The Company has adopted the Code of Conduct for all Board members and managerial personnel of the Company. The Company has received affirmations from them regarding compliance of the provisions of the Code during the year under review. A declaration signed by the Managing Director of the Company to this effect is attached with the Report.

#### **Audit Committee**

The Company has constituted an Audit Committee in the year 2007. The role, powers and functions of the Audit committee are as per guidelines stated in the Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee inter-alia are broadly as under:

1. To oversee the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statement is correct, sufficient and credible.
2. To recommend to the Board, the appointment and reappointment of Statutory Auditors, fixation of audit fees and also approval for payment of any other services.
3. To review with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement in the Board's report, in terms of clause (2AA) of section 217 of the Companies Act, 1956.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of related party transactions.
  - g) Qualifications in the draft audit report.
4. To review with the management, the quarterly financial statements before submission to the Board for approval.
5. To review with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
6. To review the status on utilization of IPO proceeds.
7. To review the adequacy of internal control system, including the structure of the internal audit department, staffing of the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors for any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To review the functioning of the Whistle Blower mechanism, if and when introduced.



12. Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and / or other Committee(s) of the Directors of the Company.

The Audit Committee comprises of 3 Non-Executive Independent Directors. The members of the Committee possess the sound knowledge of finance & accounts. The Audit Committee invites such of the executives, as it considers appropriate to be present at the meetings of the committee. The Managing Director, Executive Director & representatives of the internal auditors and statutory auditors are also present at the Audit Committee Meetings as invitees.

During the year under review, the Committee met five times on 30.06.2008, 31.07.2008, 24.10.2008, 30.01.2009 and 28.03.2009.

The details of the Composition of the Committee and attendance at its meetings are given in table below:

Name of Member	Status	Category	No of meetings attended
Shri Amit Bhansali	Chairman#	Independent Director	4
Shri Ajay Gupta	Chairman##	Independent Director	5
Shri Shohesh P. Shah	Member	Whole Time Director	5
Shri Devendra C. Shah <sup>3</sup>	Member	Independent Director	5
Shri. Jayantilal P. Shah <sup>3</sup>	Member	Independent Director	5

# Shri Amit Bhansali resigned from the Board w.e.f. January 30, 2009

## Consequent to the above resignation, Shri Ajay Gupta was appointed as the Chairman of the Committee w.e.f January 30, 2009

3 Shri Devendra C. Shah and Shri Jayantilal P. Shah were inducted as members of the committee

#### **Compensation / Remuneration Committee**

The Company has constituted Compensation/Remuneration Committee in the year 2007. The scope of the activities of the Compensation / Remuneration Committee is to recommend the remuneration payable to the Managing Director and Executive Director of the Company, payment of commission and sitting fees to Non Executive Directors.

During the year under review, the Committee met once on 24.10.2008

The details of the Composition of the Committee and attendance at its meeting are given in table below:

Name of Member	Status	Category	No of meetings attended
Shri Shohesh P. Shah	Chairman	Whole Time Director	1
Shri Devendra C. Shah	Member	Independent Director	1
Shri Ajay Gupta	Member	Independent Director	1

#### **Shareholders' Investor Grievance and Share Transfer Committee**

The Company has constituted the Committee in the year 2007. The Committee looks into redressal of shareholders' grievances and investors complaints like transfer of shares, non-receipt of balance sheet etc. and approves share transfers, transmission and issue of duplicate share certificates etc. The committee meets regularly in order to comply with the above requirements.

During the year 2008-09, the Committee met two times on 24.10.2008 and 28.03.2009

Shri Shohesh P. Shah is the Compliance officer to the Committee.



The details of the Composition of the Committee and attendance at its meetings are given in table below:

Name of Member	Status	Category	No of meetings attended
Shri Amit Bhansali§	Chairman	Independent Director	1
Shri Jayantilal P. Shah\$\$	Chairman	Independent Director	2
Shri Devendra C. Shah	Member	Independent Director	2
Shri Siddharth B. Jalan\$\$\$	Member	Independent Director	1

§ Shri Amit Bhansali resigned from the Board w.e.f. January 30, 2009

\$\$ Consequent to the above resignation, Shri Jayantillal P. Shah was appointed as the Chairman of the Committee w.e.f. January 30, 2009

\$\$\$ Shri Siddharth B. Jalan was appointed on the Board w.e.f. January 30, 2009

### Subsidiary Companies

There are no subsidiary Companies to this Company.

### General Body Meetings

Details of Annual General Meetings held during last three years:

AGM for Financial Year ended	Date	Time	Location	Special Resolutions passed thereat
2007-2008	30.09.08	4.30 p.m.	Regd. Office: 14, Arts College Road, Coimbatore - 641018	YES
2006-2007	29.09.07	4.30 p.m.	Regd. Office: 14, Arts College Road, Coimbatore - 641018	YES
2005-2006	30.09.06	4.30 p.m.	Regd. Office: 14, Arts College Road, Coimbatore - 641018	YES

### Postal Ballot

For the financial year ended 31<sup>st</sup> March 2009, there has been no ordinary or special resolution passed by the Company that required approval of members by way of postal ballot under the provisions of section 192A of the Companies Act, 1956.

### Disclosure on materially significant related party transactions

The remuneration paid to the Directors are disclosed in schedule "M"

### Disclosure of Accounting Treatment

The financial statements are prepared on accrual basis of accounting and Company complied with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.



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## **Board Disclosures – Risk Management**

The Company has laid down the requisite procedures to inform the Board Members about the risk assessment and minimization procedures.

Your Company is not in speculative trade and is investors' friendly and hence market risk is eliminated. The volatile movements in the stock market are natural and your Company had to cope with the situation. This they wish to achieve by prudent and frugal deployment of available funds to minimize loss and risk in the market.

## **Details of non-compliance with regard to Capital Market**

The Equity shares of the Company have been listed with Stock Exchanges with effect from 09.02.1995. Since then, there have been no instances of non compliances by the Company and no penalties and / or strictures are imposed on the Company by Stock Exchanges or SEBI or any statutory authorities on any matters relating to capital markets.

## **Code of conduct for Prevention of Insider Trading Practices**

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company has formulated, adopted and implemented "DJS Code of conduct for prevention of Insider Trading".

## **CEO/CFO Certification**

A certificate from Chairman on the financial statements of the Company was placed before the Board as per the requirement of Clause 49 (V) of the Listing Agreement.

## **Compliance with non mandatory requirements of clause 49 of the listing agreement.**

The Company has voluntarily complied with the non mandatory requirements relating to Remuneration Committee.

## **Management Discussion and Analysis**

Management Discussion and Analysis is given as a separate section in the Annual Report

## **CASH FLOW STATEMENT FOR THE PERIOD FROM 01.04.2008 TO 31.03.2009**

Cash flow from Operating Activities :- Enclosed

## **DEPOSITORY SYSTEM**

### **Dematerialisation of Shares**

Shares in the Company can be held and traded in electronic form and SEBI has made it compulsory for the Company to deliver in dematerialization form only. So far 44,06,500 shares have been dematerialized.

## **MEANS OF COMMUNICATION**

The quarterly/half-yearly/annual financial results of the company are announced within the stipulated period and are normally published in English and Tamil Newspapers.



## GENERAL SHAREHOLDER'S INFORMATION:

### (1) Annual General Meeting

Day and Date : Monday, 17<sup>th</sup> August, 2009  
Time : 4.30 p.m.  
Venue : Registered Office, 14, Arts College Road, Coimbatore-641 018.  
Book Closures : 14.08.2009 to 17.08.2009 (Both Days Inclusive)

### (2) Financial Calendar

Results announced : 24-06-2009  
Posting of Annual Report : On or before 14-07-2009  
Last date for receipt of proxy forms : On or Before 4-30 P.M. on 13-08-2009.  
Announcement of Quarterly results : During last week of July, October, 2009 and January 2010.

(3) **Book Closure** : 14.08.2009 to 17.08.2009 (Both Days Inclusive).

### (4) Listing on Stock Exchange:

The Company's Equity Shares are listed on the following Stock Exchanges:  
**Bombay Stock Exchange Ltd.**,: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001  
**Coimbatore Stock Exchange Limited**,: "Stock Exchange Building", 683-686, Trichy Road,  
Singanallur, Coimbatore-641 005.  
**Saurashtra Kutch Stock Exchange**: Popatbhai Sorathia Bhavan, Sadar bazaar, Rajkot – 360 001

The requisite Listing Fees for the financial year 2008-2009 has been paid to the above Stock Exchanges where the equity shares of the Company are listed.

### (5) Stock Code

Bombay Stock Exchange Limited: 511636

### (6) Stock Market Data for the period – 1st April, 2008 to 31st March, 2009

#### Share price performance in comparison on BSE:

Month (2008-09)	BSE		Sensex		No. of Shares transacted
	High (Rs.)	Low (Rs.)	High	Low	
April	21.00	20.00	17480.74	15297.96	3200
May	21.20	20.10	17735.70	16196.02	13700
June	21.25	20.25	16632.72	13405.54	1600
July	21.30	20.30	15130.09	12514.02	800
August	0.00	0.00	15579.78	14002.43	0
September	0.00	0.00	15107.01	12153.55	0
October	20.35	18.00	13203.86	7697.39	7700
November	17.15	15.50	10945.41	8316.39	600
December	15.50	15.50	10188.54	8467.43	200
January	15.50	14.80	10469.72	8631.60	4800
February	15.50	14.80	9724.87	8619.22	7600
March	14.80	14.80	10127.09	8047.17	1000





## (7) DISTRIBUTION OF SHARE HOLDING (As on 31.03.2009)

Range		No. of shareholders	% to no. of share holders	No of shares	% to no. of shares
From	To				
1	100	1246	57.21	124100	2.47
101	500	681	31.27	200300	3.98
501	1000	134	6.15	109200	2.17
1001	5000	98	4.50	225400	4.48
5001	100000	14	0.64	331500	6.59
100001	1000000	3	0.14	1326000	26.36
Above	1000000	1	0.09	2713900	53.95
<b>Total</b>		<b>2177</b>	<b>100</b>	<b>5030400</b>	<b>100</b>

## SHAREHOLDING PATTERN AS ON 31.03.2009

Category	% of shareholding
Directors and Relatives	75.91
Other Body Corporate.	7.63
Nationalised Banks/Mutual Funds.	NIL
Public.	16.46
Total	100.00

## Shareholding of Non-Executive and Executive Directors as on 31<sup>st</sup> March, 2009

Name of Director	Status	No. of Shares
Prakash D. Shah	Executive Director	27,13,900
K. Annamalai	Executive Director	2,09,200
Jayantilal P. Shah	Executive Director	100
Shohesh P. Shah	Executive Director	6,44,400
Bhagwati Prasad	Non-Executive Director	95,000
Ajay Gupta	Non-Executive Director	NIL
Dr. Devendra Shah	Non-Executive Director	100
Siddharth B. Jalan	Non-Executive Director	2,800

## DEPOSITORY SYSTEM

The company has entered into an agreement with Central Depository Service (India) Limited (CDSL) for dematerialisation of the Company's shares. Members now have the option to hold their shares in demat form (i.e. electronic mode) through the CDSL. Holding of shares in demat form is only optional and it is not compulsory. Members who wish to hold shares in physical form (i.e. in the form of share Certificates) may continue to hold Share Certificates. From 30.11.2001, our shares are traded in compulsory dematerialised form. Members, who wish to sell their shares, can sell them in dematerialised form. Members, who wish to opt to hold shares in physical form, may sell their shares in limited physical market. Over 85% of the company's Shares have been dematerialised.

## INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

ISIN allotted to our company is INE234E01019

## TRANSFER AGENTS

The Company itself is acting as a Transfer Agent.



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**ADDRESS FOR CORRESPONDENCE**

**Registration of POA, Status Change, Transmission, Consolidation, Split and other queries may directly be sent to the following address:**

**Shri. Shohesh P. Shah – Whole Time Director**

DJS Stock and Shares Limited

8-B, Mitali Trust, Shirin Sohrab Palace,

Nariman Road, Vile Parle-East,

Mumbai – 400 057.

Phone : 022 – 26103594 / 2618 5011

Fax : 022 – 2613 5319

e-mail : [contactus@djsstock.com](mailto:contactus@djsstock.com) & [djsparle@yahoo.co.in](mailto:djsparle@yahoo.co.in)

On behalf of the Board of Directors  
For **DJS Stock and Shares Limited**

Place: Mumbai  
Date : 24.06.2009

**Prakash D. Shah**  
Managing Director



**Declaration by Managing Director under Clause 49 of Listing Agreement**

**The Members of DJS STOCK & SHARES LTD**

This is to declare that to the best of my knowledge and belief all the Members of the Board and senior Management personnel of the Company have affirmed their respective Compliance with the DJS Code of Conduct for the year ended 31.03.2009.

Mumbai  
June 24, 2009

Prakash D. Shah  
Managing Director



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## **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

### **To the Members of DJS Stock and Shares Limited**

I have examined the compliance of conditions of Corporate Governance by DJS Stock and Shares Limited for the year ended 31<sup>st</sup> March, 2009 as stipulated in the Listing Agreement of the said Company with Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination has been limited to procedures and implementations thereof adopted by the Company for ensuring compliance with the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

I state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders / Investors' Grievance Committee.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Mumbai  
24-06-2009

**P. Mahendran**  
Chartered Accountant



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## AUDITOR'S REPORT

To  
The Members of DJS STOCK AND SHARES LIMITED

1. I have audited the attached balance sheet of DJS STOCK AND SHARES LIMITED, as at 31<sup>st</sup> March 2009, and also the profit and loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on my audit.
2. I conducted my audit in accordance with the auditing standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a responsible basis for my opinion.
3. As required by the Companies (Auditor's Report) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, I enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to my comments in the Annexure referred to above, I report that:
  - (i) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of my audit.
  - (ii) In my opinion, proper books of account as required by law have been kept by the Company so far as appears from my examination of those books.
  - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
  - (iv) In my opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2009 and taken on record by the Board of Directors, I report that none of the directors are disqualified as on 31<sup>st</sup> March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (vi) In my opinion and to the best of my information and according to the explanations given to me, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (a) in the case of the balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2009;
    - (b) in the case of the profit and loss account, of the profit for the year ended on that date; and
    - (c) in the case of the cash flow statement, of the cash flows for the year ended on that date

Mumbai  
24.06.2009

P. Mahendran



**Annexure to Audit Report dated 24.06.2009**

(Referred to in paragraph 3 of my report of even date)

1. (i) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(ii) The fixed assets have been physically verified by the management at reasonable intervals as per a regular program of verification which, in my opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.  
(iii) During the year, the company has not disposed off any substantial part of its fixed assets, affecting the going concern status of the company.
2. (i) The inventory has been physically verified during the year by the management at reasonable intervals. In my opinion, the frequency of verification is reasonable.  
(ii) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(iii) On the basis of my examination of the records of inventory, I am of the opinion that the company is maintaining proper records of inventory.
3. (i) The company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.  
(ii) The company has not taken any loans, secured or unsecured from companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
4. In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of my audit, no major weaknesses have been noticed in the internal control system and there is no continuing failure to correct major weaknesses in internal control system.
5. Based on the audit procedures applied by me and according to the information and explanations provided by the management, I am of the opinion that there are no contracts or arrangements referred to in Sec.301 of the Act.
6. Based on my audit procedures and according to the information and explanations given to me the company has not accepted any deposits from public and hence complying with the provisions of Sec.58A and Sec.58AA or any other relevant provisions of the Act, is not applicable.
7. In my opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records U/s. 209(1)(d) of the Companies Act, 1956 to this company.
9. (i) According to the records of the company, the company is regular in depositing the undisputed statutory dues including income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it with the appropriate authorities. The company is not required to transfer any amount to the investor education and protection fund.  
(ii) According to the information and explanations given to me, there are no undisputed arrears of statutory dues as at 31.03.09 which are outstanding for a period of more than six months from the date they became payable.  
(iii) According to the information and explanation given to me, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.



10. The Company has no accumulated losses and has not incurred any cash loss during the financial year and in the immediately preceding financial covered by my audit.
11. Based on my audit procedures and on the information and explanations given by the management, I am of the opinion that the company has not defaulted in repayment of dues to any financial institution or bank. The company has not issued any debentures.
12. Based on my examination of documents and records I am of the opinion that the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Based on my audit procedures and on the information and explanations given by the management, I am of the opinion that the provisions of any special statute applicable to chit fund are not applicable to this company and the company is not a nidhi /mutual benefit fund/society and hence compliance with the requirements of the order in this regard are not applicable to this company.
14. The company is dealing in shares, securities, debentures and other investments, and proper records have been maintained of the transaction and contracts and timely entries have been made therein also the shares securities have been held by the company, in its own name.
15. The company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The Company has not obtained any term loans.
17. According to the information and explanations given to me and on an over all examination of the balance sheet of the company, I report that the no funds raised on short term basis, have been used for long term investment.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the act.
19. According to the information and explanations furnished to me and based on the records verified by me, the period covered by my audit report, the company has not issued any debentures and hence creation of securities for the same is not applicable.
20. According to the information and explanation furnished to me and based on the records verified by me, the company has not raised any money through public issues during the period covered under audit and hence disclosure by the management on the end usage of money raised by public issues and my verification of the same is not applicable.
21. Based upon the audit procedures performed and information and explanations given by the management, I report that no fraud on or by the company was noticed or reported during the year.

Mumbai  
24-06-2009

**P. Mahendran**  
Chartered Accountant



### Profit and Loss Account for the year ended 31.03.2009

<b>INCOME</b>	<b>Schedule</b>	<b>31.03.2009</b>	<b>31.03.2008</b>
Income from operations	G	1,63,50,068	2,81,76,907
Dividend and other Income	H	1,13,93,280	3,84,92,827
		<u>2,77,43,348</u>	<u>6,66,69,734</u>
<b>EXPENDITURE</b>			
Administrative Exp.	I	1,42,08,452	2,01,13,881
Stock Exch. Exp	J	94,92,398	59,90,075
Bank Charges & Interest	K	15,48,932	12,94,111
Licence fees and Taxes	L	1,66,009	2,69,139
Depreciation		6,61,616	16,00,010
		<u>2,60,77,407</u>	<u>2,92,67,216</u>
<b>NET PROFIT</b>		<b>16,65,942</b>	<b>3,74,02,518</b>
Add: Balance B/F.		7,25,87,020	4,93,50,995
Total		7,42,52,962	8,67,53,513
Add : Deferred Tax Liability		(1,20,203)	73,401
Less : Appropriation			
Donations		3,50,502	5,42,001
Provision for Taxes		3,86,000	1,36,13,594
Income tax of earlier years		92,78,374	84,299
Total		<u>96,28,876</u>	<u>1,42,39,894</u>
<b>Balance carried down to Balance Sheet</b>		<b><u>6,41,17,882</u></b>	<b><u>7,25,87,020</u></b>
Basic earnings per share		0.33	7.44
Diluted earnings per share		0.33	7.44

The Schedules referred to above form is an integral part of the Profit and loss A/c  
As per my report even dated

(Sd/-) **Shri. Prakash Devidas Shah**  
Managing Director

(Sd/-) **P.Mahendran, FCA**  
Chartered Accountant

(Sd/-) **Shri. Shohesh P Shah**  
Whole Time Director

24.06.2009.  
Mumbai.





## Balance Sheet as on 31.03.2009

	SCHEDULES	31.03.2009 Rs.	31.03.2008 Rs.
<b>SOURCES OF FUNDS</b>			
SHARE HOLDERS FUNDS	A	5,03,04,000	5,03,04,000
RESERVES AND SURPLUS	B	6,43,13,381	7,26,62,315
<b>TOTAL</b>		<b>11,46,17,381</b>	<b>12,29,66,315</b>
<b>APPLICATION OF FUNDS</b>			
	SCHEDULES	31.03.2009	31.03.2008
FIXED ASSETS	C	29,68,586	32,86,646
INVESTMENTS	D	1,99,24,986	77,24,986
CURRENT ASSETS	E	14,44,49,589	18,15,54,492
Less: CURRENT LIABILITIES & PROVISIONS	F	5,27,25,780	6,95,99,809
		9,17,23,809	11,19,54,683
<b>TOTAL</b>		<b>11,46,17,381</b>	<b>12,29,66,315</b>

Notes to the accounts and significant  
accounting policies

M

The Schedules referred to above form an integral part of the Profit and loss A/c and Balance Sheet

As per my report even dated

**(Sd/-) P.Mahendran, FCA**  
Chartered Accountant

24.06.2009  
Mumbai.

**(Sd/-) Shri. Prakash Devidas Shah**  
Managing Director

**(Sd/-) Shri. Shohesh P Shah**  
Whole Time Director



## SCHEDULES ANNEXED TO THE ACCOUNTS

	31.03.2009 Rs.	31.03.2008 Rs.
<b>SCHEDULE - A</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
1,00,00,000 Equity shares of Rs.10 each	10,00,00,000	10,00,00,000
<b>Issued, Subscribed and fully paidup</b>		
50,30,400 Equity Shares of Rs.10 each	5,03,04,000	5,03,04,000
<b>Total</b>	<b>5,03,04,000</b>	<b>5,03,04,000</b>

## SCHEDULE - B

### RESERVES AND SURPLUS

Profit And loss a/c	6,45,03,882	7,25,87,020
Net deferred Tax Liability	1,95,498	75,295
<b>Total</b>	<b>6,46,99,380</b>	<b>7,26,62,315</b>

## Schedule - C: Fixed Assets

Sl. No.	Name of the Assets	Cost as on 01.04.2008	Addition	Deletion	Depreciation					W.D.V as on 31.03.09	W.D.V. as on 31.03.08
					Total Cost as on 31.03.09	upto 31.03.08	for the year	with drawn	upto 31.03.09		
		1	2	3	4	5	6	7	8	9	10
1.	Stock Exc.Mem.Card	2,00,000	0	2,00,000	0	0	0	0	0	0	2,00,000
2.	Office Equipments	95,92,145	5,43,556	0	1,01,35,700	85,04,147	4,32,216	0	89,36,363	11,99,337	10,87,998
3.	Furniture & Fittings	21,04,307	0	0	21,04,307	7,22,373	1,33,202	0	8,55,575	12,48,732	13,81,934
4.	Motor Car	10,12,608	0	0	10,12,608	3,95,893	96,198	0	4,92,091	5,20,517	6,16,715
<b>Total</b>		<b>1,29,09,060</b>	<b>5,43,556</b>	<b>2,00,000</b>	<b>1,32,52,615</b>	<b>96,22,413</b>	<b>6,61,616</b>	<b>0</b>	<b>1,02,84,029</b>	<b>29,68,586</b>	<b>32,86,647</b>
As At 31.3.08		1,09,89,128	19,19,932	0	1,29,09,060	80,22,403	16,00,010	0	96,22,413	32,86,647	29,66,725



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	31.03.2009 Rs.	31.03.2008 Rs.
<b>SCHEDULE - K</b>		
<b>BANK CHARGES AND INTEREST</b>		
Bank Guarantee fee	12,90,009	9,96,654
Bank Charges	77,999	1,26,122
Bank interest	1,39,783	1,65,916
Car Loan Interest	41,141	5,419
<b>TOTAL</b>	<b>15,48,932</b>	<b>12,94,111</b>

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<b>SCHEDULE- L</b>		
<b>LICENCE FEES AND TAXES</b>		
Listing fee	15,000	14,903
SEBI Registration fee	-	90,000
Membership fee	-	1,64,236
Service Tax	1,51,009	-
<b>TOTAL</b>	<b>1,66,009</b>	<b>2,69,139</b>

As per my report even dated

(Sd/-) P.Mahendran, FCA  
Chartered Accountant

Mumbai.  
24.06.2009

(Sd/-) Shri. Prakash Devidas Shah  
Managing Director

(Sd/-) Shri. Shohesh P Shah  
Whole Time Director



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**SCHEDULE- M**  
**Notes to the Accounts and Significant Accounting Policies****1. Basis of Accounting**

Financial Statements are prepared under historical costs conversions on accrual basis in accordance with the requirements of the Companies Act, 1956

**2. Revenue and Transaction Recognition**

Revenue and Transactions with Stock Exchanges were recognised only for completed settlements.

**3. Fixed Assets**

Fixed assets are stated at cost inclusive of incidental expenses such as freight, octroi etc, incurred by the Company. The installation and commissioning expenses are also capitalised.

**4. Inventory**

The securities available on hand as on 31-03-2009 were valued at cost or market prices whichever is lower.

**5. Managerial Remuneration:**

	31.3.2009	31.03.2008
	Rs.Lakhs	Rs.Lakhs
Salary	12.60	9.0
Contribution to Provident & other funds	—	—
Perquisites	—	—
	<hr/>	<hr/>
	12.60	9.0

**6. Depreciation**

Depreciation on Fixed Assets has been provided on "Straight Line Method" as per Section 205(2) (b) of the Companies Act, 1956 at the rates and in the manner specified in Schedule XIV of the said Act.

**7. Investment**

Investments represents amounts invested in 270000 Eq Shares of M/s Padmakant Devidas Securities Ltd., 41054 Eq Shares of Bombay Stock Exchange Ltd., 100 Eq Shares of Central Depository Services (I) Ltd. & 50 Eq Shares of Saurashtra Kutch Stock Exchange Ltd., 200000 Eq shares of Bhoomi Hotels Pvt. Ltd., 250 Eq Shares of Calcutta Stock Exchange Ltd.

**8. Contingent Liabilities**

Guarantees given by the Company's Bankers on behalf of the Company is amounting to Rs.850 lakhs.

9. No employee is eligible for Gratuity.

**10. Auditor's Remuneration:**

	31.03.09	31.03.08
Audit Fee	25000.00	19285.00
Tax Audit Fee	7500.00	7500.00

11. Previous year figure have been regrouped and reclassified wherever necessary.

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As per my report even dated

(Sd/-) **Shri. Prakash Devidas Shah**  
Managing Director

(Sd/-) **Shri. Shohesh P. Shah**  
Whole Time Director

(Sd/-) **P. Mahendran, FCA**  
Chartered Accountant

24.06.2009,  
Mumbai.

**CASH FLOW STATEMENT****31.03.2009**

Net Profit as per profit and loss Statement	16,65,942
Less : Donation made	3,50,502
Add : Depreciation written off	6,61,616
Add : Loss on sale of Assets	-
	<u>19,77,056</u>

**FUNDS FROM OPERATIONS**

Cash From operations	-
Funds from operations	19,77,056
Add:- Trade and other receivables	(-) 99,58,079
Less:- Inventories	(-) 1,47,47,314
Add:-Trade payables and other current liabilities	(-) 2,76,47,201
Cash From Operations	<u>(-) 9,64,752</u>

**CASH FLOW STATEMENT****Cash from operating activities**Net cash from operating activities (from ordinary activities) **(-) 9,64,752****Cash from investing activities**

Investment in shares	-
Purchase of Assets	3,43,556
Sale of Assets (car)	-
Net cash from investing activities	<u>-1,22,00,000</u>

**Cash from Financing Activities**

Secured Borrowings	11,08,798
Unsecured Borrowing	-
Cash from financing activity	<u>(-) 1,14,34,758</u>

Increase in cash and cash equivalents during the year **(-) 1,23,99,510**Add: Opening balances of cash and cash equivalents **7,83,67,310**Closing Balance of cash and cash equivalents **6,59,67,801**24.06.2009  
Mumbai**(Sd/-) Shri. Prakash Devidas Shah**  
Managing Director**(Sd/-) Shri. Shohesh P Shah**  
Whole Time Director**Auditor's Certificate**

I have verified the above Cash Flow Statement of DJS STOCK AND SHARES LIMITED derived from the financial statements for the year ended March 31, 2009 and found the same to be in accordance therewith and also with the requirements of Clause 32 of the Listing Agreement with Stock Exchanges.

Mumbai  
24.06.2009**P. MAHENDRAN F.C.A.**  
Chartered Accountant



## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### I. Registration Details

Registration No. : 181-5030 State Code : 18  
Balance Sheet Date : 31st day March, 2009

### II. Capital Raised during the Year (Amount in Rs.)

Public Issue : NIL Rights Issue : NIL  
Bonus Issue : NIL Private Placement : NIL

### III. Position of Mobilisation and Deployment of Funds (Amount in Rs.)

Total Liabilities : 11,57,26,179 Total Assets : 11,57,26,179

### Sources of Funds

Paid up Capital : 5,03,04,000 Reserves & Surplus : 6,43,13,380  
Secured Loans : NIL Unsecured Loans : NIL

### Application of Funds

Net Fixed Assets : 29,68,586 Investments : 1,99,24,986  
Net Current Assets : 9,28,32,607 Misc.Expenditure : NIL

### IV Performance of Company (Amount in Rs.)

Turnover : 2,77,43,348 Total Expenditure : 2,60,77,406  
Profit/Loss before Tax : 16,65,942 Profit/Loss After tax : 9,29,440  
Earning Per share in : 0.33 Dividend rate % : NIL

### V Generic Names of three Principal Products/ Services of Company (as per monetary terms)

Item Code (ITC Code) :

Product

Description : Shares and Securities.

As per my report even dated

(Sd/-) P.Mahendran, FCA  
Chartered Accountant

24.06.2009,  
Mumbai.

Sd/-) Shri. Prakash Devidas Shah  
Managing Director

(Sd/-) Shri. Shohesh P Shah  
Whole Time Director



**DJS STOCK AND SHARES LIMITED**

14 Arts College Road, Coimbatore - 641 018  
(In case a member is unable to be present at the meeting this form may be used)

**PROXY FORM**

I/We .....of..... Residing  
in the district of .....being a member / members of the above named  
company hereby appoint .....of  
.....residing in the district of ..... as my / our  
proxy to vote for me / our behalf in the Fifteenth Annual General Meeting of the company to be held on  
Monday 17<sup>th</sup> August, 2009 at the registered office of the company and any adjournment thereat.

Place :

Date :

Affix  
Thirty  
Paise  
Revenue  
Stamp

Note : Indian revenue Stamp of Rs.0.30 should be affixed in the form which should then be signed by  
the member. The form thus completed should be deposited at the Registered Office of the Company at  
14, Arts College Road, Coimbatore - 641 018 atleast forty eight hours before the commencement of the  
meeting, i.e. before 4.30 p.m. on 14<sup>th</sup> August, 2009.

**DJS STOCK AND SHARES LIMITED**

**ATTENDANCE SLIP**

(Please complete this attendance slip and hand it over at the entrance of the Hall)

I hereby record my presence at the Fifteenth Annual General Meeting of the Company held at 14, Arts  
College road, Coimbatore – 641 018 on Monday the 17<sup>th</sup> August, 2009.

Full Name of the Shareholder in BLOCK LETTERS : \_\_\_\_\_

Account No: \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

Name of Proxy (if any) in BLOCK LETTERS: \_\_\_\_\_



To

If undelivered please return to :

**DJS Stock and Shares Limited**  
14, Arts College Road,  
Coimbatore - 641 018.